

Arkansas Tobacco Settlement Commission

Meeting Minutes

Wednesday, April 26, 2006

Arkansas River Room

1:30 p.m. to 2:40 p.m.

Type of Meeting: Quarterly Meeting

Vice-Chairperson: Omar Atiq, M.D.

Board Members Present:

Omar Atiq, M.D.

Steve Stanley (designee for John Ahlen, Ph.D.)

Anthony Fletcher, M.D.

John Selig

Paul Halverson, DrPH

Dee Cox (designee for Ken James, Ed. D.)

Karen Wheeler, Ph.D (designee for Linda Beene, Ed.D)

Board Members Absent:

Gen. (Ret.) Bill B. Lefler, DDS, FACP, Chairman

Ryan Buffalo, M.D.

Staff Present:

Chiquita Munir

Karen Elrod

Invited Guests:

Leslie Humphries, ABI

Dr. Larry Cornett, ABI

Dr. Claudia Beverly, COA

Joni Jones, DHHS

Suzanne McCarthy, ACHI

Dr. James Kahan, RAND

Tracy Gatlin, AMHC

Judy Smith, AMHC

Lynda Lehing, TPEP

Taniesha Langston, TPEP

Ty Stephens, UAMS

I. Call to order vice-chair

Dr. Atiq called the meeting to order at 1:35 p.m. He announced the result to the vote to elect Commission Officers. Dr. Atiq was elected as vice-chair and the elected members of the Executive Committee are: Dr. John Ahlen, Dr. Anthony Fletcher and Dr. Omar Atiq. Dr. Atiq welcomed everyone and acknowledged the guests.

Dr. Atiq pointed out the passage of the Clean Indoor Air Act of 2006 (Act 8 of 2006) and noted that is one of the greatest achievements of the recent Legislative Session. Many deserve credit for the passage, including John Selig, Dr. Halverson, Linda Lehing, Dr. Raczynski, Willa Sanders, Dr. Thompson, and many others.

We should also congratulate Becky Hall on the opening of the Vasudevan Wellness Center; the Delta AHEC is now housed in a state of the art facility with a library, a walking track, auditorium, and classrooms to expand their education programs for the local community and the health care professionals in the Delta. Thanks to Becky, Dr Cranford, and everybody else for their help.

II. Approval of minutes from last meeting

Minutes of the January 20, 2006 meeting were reviewed by Commissioners.

Dr. Atiq entertains a motion to vote

Motion to Approve: John Selig

Seconded by: Dr. Fletcher

Minutes from January 20, 2006 meeting were unanimously approved.

III. Financial Update

Chiquita Munir updated the commission on the budget. The Commission has year to date spent \$23,000 for operating expenses, close to \$72,000 for salaries and \$239,000 to RAND for their evaluation services. Tobacco Settlement grants have been funded in the amount of \$24,000. These grants were the continuation of two programs out of the seven that the Commission approved last year. The other five programs were not funded because they were not able to come up with clear objectives for this year.

Dr. Atiq asks if there are any questions on this financial update. No questions

IV. 2006-07 MSA Payment Distribution

Chiquita stated that there has been a substantial decrease in the amount of funding that comes from the Master Settlement Agreement (MSA) into the state and this has been a major concern to each program. There has been three MSA payments (one payment from last October to be distributed this year) for this year totaling 48 million dollars and less the Tobacco Debt Service Fund of 5 million leaving a distribution amount of 43 million dollars for all of the programs as a whole. With limited/decreased funding, program sustainability may become an issue.

Dr. Atiq asks if there are any questions and states that the money that we get is not in our control; it can go up or down and so far the trend has been downward.

Chiquita stated that she had a brief conversation with Mike Storms about the MSA payments and he did say that we should anticipate over the next years a decrease in the dollar amount. Right now it is at 48 million dollars and the Attorney General's office has done everything that they can to secure the payments. All of the nonparticipating manufacturers are paying into the escrow account; our state has been diligent in making sure that this has been done. The last payment came into the state in the last few weeks and was about \$592,000 it was confirmed that the \$592K came last October and will be distributed in 2007 FY. Mike Storms pointed out that we could be looking at MSA payments as little as 30 million dollars in the next two years. We should be preparing ourselves for that as well.

Dr. Atiq- And that will be a loss of about 50% total overall.

Dr. Wheeler - In the short term what type of programmatic impact will this have if we continue to decrease a couple of million dollars each year; do we have any plans for how we are going to address that?

Chiquita- We do not have any control over payments, however it is significant that the programs try to do what they can to leverage more funding and increase ability of their programs securing extra mural funding through grant opportunities, etc.

Dr. Wheeler- Do we have a contingency plan if that does not occur?

Chiquita- I think that the Healthy Century trust fund will have to kick in if something happens where the programs fall short.

Dr. Atiq-As a commission we do not have any funds, we only work with the funds we have and all the programs will have to have a contingency plan.

John Selig- I am not clear how this Health Century trust fund works and when you say it will kick in how does it kick in?

Chiquita- Maybe I should recant that statement because I am not exactly sure how that happens, but I know that as long as we are receiving a MSA amount for payment then the Healthy Century trust fund will be sitting there accruing interest. But we do need to incorporate these questions into a contingency plan.

Dr. Halverson- If the organizations we are funding do not have the money to do those things that we expect them to do can we realistically expect them to hold to the same level of standards as they have?

John Selig- I think it is going to come to a point where recommendations are made to each program. You don't simply cut everyone by the same percentage because in some cases it is not viable to keep a program going. We need to hear from each program area. I think we will be ok in the short term because we (Medicaid) weren't spending all of our money but I don't think that was the case with most of the programs.

Dr. Halverson- I think the demand is going to increase with the Clean Air Act. I hope and expect the number of people calling the Quitline will increase and the number of people enrolling in programs to help them quit smoking will significantly increase rather than going down. I think there will be an increase in demand which I think is a good thing from a policy perspective, but I think in the short term creates some real difficulties for programs.

John Selig-It is incumbent on us a commission to ask each of the programs to define how they are going to adapt to the funding cuts.

Dr. Atiq- We need to ask all the programs to present to us a contingency plan based on possible scenarios of decreased funding.

Dr. Halverson-Suggests a time frame of 10 days before the next meeting

Chiquita- I will be sending out information to each of the programs asking them to send the ATSC information on how they plan to address program funding cuts before the next meeting.

Dr. Beverly- With this 20 % cut for this year that makes 43% cut that we are experiencing which is almost half the program. We have already put into place what we will be doing for this year because we have to give 60 day notice to individuals when we cut their positions. We will have to cut sites if the funding is cut to the levels mentioned. It is critical that we meet as soon as possible and look long term the sustainability in light of what is happening.

Dr. Halverson-Look at alternative funding sources

Dr. Atiq- We have new projections based on what has actually happened in the last three years Chiquita will get that information if it is available to us.

V. Update/Review of RAND Program Recommendations

Chiquita sent copies of updates of program performance as it relates to recommendations that RAND announced in its last biennial and interim reports. In the interest of time, the programs are not asked make presentations today.

Chiquita summarized the recommendations for each of the programs.

ATSC

- The Commission should modify the content of its Quarterly Report to address issues identified in this report:
Completed
- Ensure that identified inadequacies of accounting and financial management are corrected (inaccurate allocation of funds across appropriation line items)
The Commission cannot take complete credit for resolving these issues, as it was resolved through the budget process
- The Commission should ensure monitoring of financial spending regularly
The specifications for financial reporting accessible through the intranet have been laid out, and a preliminary price quote has been given for development; however, budget restraints are pending resolve – in the meantime, all programs have been cooperative in supplying the Commission with quarterly expenditures. No variances from budgets have been identified.
- The Commission should earmark a modest portion of its funds for technical support to programs (including staff training, data collection for performance measures, needs assessments, budgeting, or grant writing)
ATSC has available funding, however is limited because of appropriation authority. The Commission was addressing this issue through its strategic planning process – staff recommends this be addressed through its Executive Committee
- Should establish expectations for the performance of the governing bodies
Staff recommends that the Executive Committee help to establish written expectations for strengthening the roles of governing bodies.

Chiquita stated that ATSC is in a bind trying to meet financial obligations with the limited appropriations.

Arkansas Aging Initiative

- The AAI leadership and the regional COAs should continue to emphasize outreach to the counties most distant from the COA facility location
Due to limited funding and the increasing and high cost of travel for each site: a decision was made that is believed will influence the most people and make better use of the limited funds. Each center is examining their programming to see where the best places were that brought the most people together from across their counties. They will increase their programming in those locations rather than just be in every county – to be in every county. The new decision was moved to offer at least one program in each county once in a 24 month period.
- AAI leadership should put more emphasis on and create more opportunities for regions to collaborate and build on success of the local COAs

Minority Health Commission – Plan to collaborate with them during the next six months to discover shared goals and targeted populations and develop a joint program.

The Delta Center on Aging and the Minority Health Commission are working together on a hypertension study in Lee County;

Medicare Part D – All of our sites are partnering with each other, their local AHECs, as well as local, state and national initiatives to educate older adults regarding Medicare Part D Coverage. Workshops are being held and seniors are being assisted in all parts of the state.

- Make fundraising a higher priority across all regions
Total leveraged since July 2005: \$11,750

Arkansas Bioscience Institute

ABI-supported researchers continue to use funding from ABI to help attract funding from other sources. For the January through March quarter, ABI member institutions reported receiving approximately \$9.9 million in extramural funding.

Arkansas Minority Health Commission

- Establish an effective internal financial reporting system to track actual expenditures, including expenditures from contracts
AMHC has established a financial tracking system for local use to track actual expenditures, consistency of spending on each of the contracts relative to the contract terms, and how much of the Tobacco Settlement funding was returned using Excel. This information has been previously reported to RAND. All current and future AMHC financial staff have/will be trained in this program

College of Public Health

- Increase grant funding and leveraging activities from other sources

As of 2005, the CPH has over 50 active grants totaling over \$5.3 million for the current fiscal year. The CPH has significantly increased grant funding in a very short time frame.

CPH has received a substantial increase in the number of calls that they have received to the QUIT line. They had to hire new staff.

Delta Area Education Center

- Build additional program capacity to expand health education programming for the community

The Delta AHEC built a new \$4 million wellness center to serve the entire seven-county area. The 25,000-square-foot facility — complete with a medical library and walking tracks — has replaced the 4,500-square-foot building that previously housed the Delta AHEC. The new facility will allow the Delta AHEC to increase its capacity to conduct consumer health education programming as well as health professional education.

- Monitor/expand collaborative efforts to reach disenfranchised/minority populations
The Delta AHEC partnered with the Minority Health Commission to continue their “Eating and Moving for Life” in Phillips County churches. Delta AHEC has assumed the salary and expenses for this program and has contracted with the local office of the Arkansas Cooperative Extension Service for implementation of the program in African American churches.
- Increase resources to conduct program assessment activities.
A new Delta AHEC Educational Database has been developed and implemented through the UAMS Regional Programs office. Working closely with the AHEC Associate Director and AHEC Central Database Manager, security, data quality and effective reporting systems were designed for web based data entry. Delta AHEC personnel were trained to enter Public Education Programs online and to use a new scannable form for program evaluation. Each person has a unique login and password. Phase II of the project will incorporate clinical data.

Medicaid Expansion Program

- Continue working with CMS to develop an acceptable 1115 waiver for AR-Adults program
CMS recently approved the Arkansas Safety Net Waiver Program. Governor Huckabee formally announced the approval at a press conference held on March 7, 2006. DHHS is working to design and implement the new program to include development of an RFP, computer system changes and policy revisions. The implementation is tentatively scheduled for January 1, 2007. Specific details regarding the actual design and anticipated participation levels for this initiative will be provided to the Commission as they become available
- Find alternate uses for unspent allocated funds
The State, after working with CMS for several years regarding our waiver request to expand services to the 19-64 year old coverage group, has finally received the long-awaited federal approval. The Arkansas Safety-Net Waiver Program is an innovative pilot program that will expand health care coverage to low-income employees of small businesses. It should also be noted that the decision has been made to expand the AR-Seniors coverage from 80% to 100% of the Federal Poverty Level. It is anticipated that

increasing the FPL will add approximately 10,000 new eligibles to the AR-Seniors Program. The implementation date for this change has not yet been determined.

Tobacco Prevention and Education Program

- Provide community coalitions with more assistance in planning and evaluating activities, and measuring their effectiveness
TPEP/Grants Administrators provided trainings for the community coalitions. The trainings consisted of: utilizing the web-based reporting system, effectively coding activities, reporting on activities that are linked to their objectives outlined in their work plans. A follow-up training was provided on the system as well as evaluation.
- Provide technical assistance and evaluation feedback to schools in the educational coops to move them into full compliance with the CDC guidelines for schools
Technical assistance has been provided on various curriculum and smokeless tobacco prevention curricula. Training was provided on comprehensive tobacco policy that included the state and federal tobacco laws and enforcement issues for local school district educators.
Also, the School Health Program Analyst has been assisting schools and collaborating with school district advocates for the development and changes to their comprehensive tobacco-free policy. The school's comprehensive tobacco free policy are reviewed and graded based on the CDC report card comparison. TPEP continues to collaborate with our schools' administrators on tracking policy enforcement and the usage of the researched based tobacco prevention curricula.
- Additional resources should be provided for cessation programs
The contract for the quit line and network are now with the CPH. This has allowed for better utilization of resources.

No questions on the program summaries.

VI. Update on RAND Evaluation

Dr. Atiq introduced Dr. James Kahan, our new principal investigator for the program evaluation.

Dr. Kahan stated that they are at the end of the annual cycle of site visits. RAND is currently preparing the next biennia report. The evaluations are based on three components, outcomes, processes, and structure. Past evaluations have focused on outcomes and processes. What will be different this time is that RAND will be looking at the structures that are in place for each of the programs. The types of structures that RAND is looking at are:

- ◆ Governance- Do you have a governance in place for your program that is effective and follows best practices?
- ◆ Financial structure- Do you have accounting systems in place?
- ◆ Contracts- Have you set in place a system of contracts that gets you what you need to get?
- ◆ Quality- Do you have in place a system where you can track your own quality?

RAND will be presenting the draft reports to each of the programs late in May so they can give feedback. In early June the Commission will receive the draft of the final evaluation.

Dr. Atiq opens the floor to questions.

John Selig asks if the RAND evaluators will take into consideration the fact that there is decreased funding.

James Kahan states that the decreased funding is considered in the evaluation process.

VII. Meeting Adjournment

The next Commission meeting is scheduled for July 19, but there will be a special meeting called sometime in June to discuss the RAND report.

Adjournment

The meeting was adjourned at 3:00

The next meeting is scheduled for July 19, 2006

GOALS	TASKS/NEXT STEPS	FOLLOW-UP